FDI in Plantation Sector

2112. SHRI P. PRABHAKAR REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to refer to answer to Unstarred Question 631 given in the Rajya Sabha on 23rd July, 2002 and state:

(a) whether FDI has also been permitted in other plantations;

(b) if so, the details thereof and if not, the reasons therefor; and

(c) the reaction of the foreign owned tea majors to the opening of the tea sector to FDI?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) No, Sir. FDI up to 100% is permitted only in tea sector, including tea plantations.

(b) Unlike tea plantations, which are facing the problem of aging bushes and also have a significant presence of foreign companies, from the very beginning, which have been allowed to carry on business under FERA, subject to a minimum of 26% Indian participation in the equity capital, the other plantations like rubber, coffee, etc., have a totally different industry structure where the need for FDI has not yet been felt.

(c) No formal feedback on the new policy has been received.

Use of debt recovery tribunals by NBFCs

2113. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the negative factor affecting the NBFCs is the non-availability of a speedy and effective mechanism for recovery of their dues;

(b) whether NBFCs have requested Government to provide them the facility of Debt Recovery Tribunals by bringing them within the definition of financial institutions referred to in Section 2(h) of the 'Recovery of Debts Due to Banks and Financial Institutions Act, 1993' by issuing a suitable notification so that the NBFCs registered under Section 45-1A of the RBI Act, 1934 are provided the facility of Debt Recovery Tribunals; and